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February 20, 2004

BY HAND AND ELECTRONIC MAIL

Mary Cottrell, Secretary
Department of Telecommunications and Energy
One South Station
Boston, MA 02110

Re: D.T.E. 03-60

Dear Secretary Cottrell:

It has come to our attention that there is a minor error in the Hot Cut cost study that AT&T and Broadview submitted on February 6, 2004. Although the effect is not material and the error can be corrected when the witnesses take the stand, we submit the revised study now to avoid any confusion (Attachments B, C, and G, to the AT&T and Broadview Panel Testimony). In addition, we submit a revised version of the AT&T and Broadview Panel Testimony and the Exhibit D "narrative." The only changes reflected in the revised testimony and narrative are on the pages with the revised rates.

By way of explanation, in developing the Massachusetts cost model, the initial and additional line costs were separated into two categories. It appears that, for both the initial and the additional line calculation, incorrect inputs were used for travel time to unstaffed offices and for the time it takes central office frame technicians to retrieve their work assignments. With respect to the initial line calculation for the Project process, too much time had been allocated to the travel function and too little time to the retrieval function. With respect to the initial line for the Basic process, no changes were made to the component costs, but the rounding of the sum of the costs in the revised Attachment C spreadsheet resulted in a change for the initial line Basic cost. With respect to the additional line calculation for both processes, too little time had been allocated to both the travel and retrieval functions.

The net result of the corrections is as follows:

	BASIC			PROJECT		
Initial Line	\$11.45	✍	\$11.44	\$4.65	✍	\$4.79
Additional Line	\$4.25	✍	\$6.01	\$4.43	✍	\$4.57

Where appropriate, I enclose one proprietary and one public (redacted) version of each document.

Kindly acknowledge receipt of the foregoing by date stamping a copy of this cover letter and returning it to the waiting messenger.

Thank you very much.

Respectfully submitted,

Jay E. Gruber

Enclosures

cc: Paula Foley, Hearing Officer (w/ 2 copies of enclosures)
Jesse Reyes, Hearing Officer (w/2 copies of enclosures)
Mike Isenberg, Director, Telecommunications Division
April Mulqueen, Assistant Director, Telecommunications Division
Berhane Adhanom, Telecom Analyst
Asish Shrestha, Telecom Analyst
Deb Conklin, Telecom Analyst
Peter Allen, Telecom Analyst
Service List